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provide immediate employment to the people of this area. This is a Central project and the economics of the Project is now being scrutinised by the Government of India.

There are certain backward pockets in other districts also and steps are being taken to develop those areas also under the Third Plan.

APPENDIX III.

[Vide answer to Starred Question No. 85 on page 224.]

The loss incurred by the Government in the working of the Tractor Hiring Scheme for the period from 1955 to 1959 year-war was as follows :—

Years.	Loss.
(1)	(2)
	RS.
1955-56	10,35,608
1956-57	6.95,559
1957-58	6,43,932
1958-59	3,39,290
1959-60	3,63,829

2. The main reasons for the loss under the scheme are :—

(i) Overaged condition of the tractors; and

(ii) Low rates of hire charges prescribed for hiring out tractors to agriculturists.

3. In order to reduce the loss that is being incurred under the scheme, the Government have recently increased the hire charges for tractors and bulldozers, taking into consideration, the actual working expenses on the units and the hire charges fixed by the neighbouring States.

4. In respect of replenishing and reconditioning of the tractors, the Government have, on the recommendation of the Special Officer appointed to inspect the tractors and to report regarding their retention or condemnation, ordered the condemnation of 16 Crawler type tractors and 23 Wheel type tractors and the retention of the remaining tractors after reconditioning them. The Government of India have been addressed to release foreign exchange to the C.I.F. value of Rs. 8 lakhs to purchase spare parts for replacing the worn out parts in the units recommended for retention. In addition steps have been taken to purchase heavy tractors from the United States of America and United States of Soviet Russia. Eight tractors from the United States of America and seven tractors from the United States of Soviet Russia have since been received. Fourteen more tractors for which supply orders have already been placed are awaited.

5. By the above measures, the loss incurred under the scheme is expected to be substantially reduced.